

## Message Text

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PAGE 01 REYKJA 00039 092005Z  
ACTION EUR-12

INFO OCT-01 NEA-10 ISO-00 CIAE-00 PM-05 INR-07 L-03  
ACDA-12 NSAE-00 PA-01 SS-15 PRS-01 SP-02 USIA-06  
TRSE-00 OES-07 /082 W  
-----100376 092114Z /70

R 091732Z JAN 78  
FM AMEMBASSY REYKJAVIK  
TO SECSTATE WASHDC 8024  
INFO SECDEF WASHDC  
COMICEDEFOR  
CINCLANT  
COMNAVAVIRLANT NORFOLK VA  
CNO WASHDC  
COMNAVFACENGCOM ALEXANDRIA VA  
COMFAIR KEFLAVIK IC  
CINCLANTFLT NORFOLK VA  
NAVSTA KEFLAVIK IC

C O N F I D E N T I A L REYKJAVIK 0039

E.O. 11652: GDS  
TAGS: MILI, IC  
SUBJECT: GEOTHERMAL HEATING AT KEFLAVIK NAVAL STATION (NAVSTAKEF)

REF: (A) 77 REYKJAVIK 1548 (DTG 261624Z OCT 77); (B) NAVSTA  
KEF DTG 181800Z OCT 77 (NOTAL); (C) 76 REYKJAVIK 1570  
(DTG 291825Z NOV 76) NOTAL

1. SUMMARY: TENTATIVE AGREEMENT BETWEEN NAVSTA KEFLAVIK  
AND SUDURNES REGIONAL HEATING CORPORATION (SRHC) FOR PRO-  
VIDING GEOTHERMAL HEAT TO KEFLAVIK NATO BASE WAS FORWARDED  
ON OCTOBER 26, 1977, AS NOTED IN REF A. GIVEN IMPORTANCE  
ATTACHED TO THIS PROJECT BY HIGHEST LEVELS OF GOI AND  
LENGTH OF TIME IT HAS REMAINED UNDER CONSIDERATION WASHINGTON,  
BELIEVE COUNTRY DIRECTOR FUNSETH DURING HIS VISIT SHOULD  
BE PREPARED GIVE PRECISE INDICATION TO GOI AS TO WHEN DE-  
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CISION ON PROJECT WILL BE FORTHCOMING. IF HE WERE AUTHORIZED  
TO INDICATE US IS AGREEABLE TO PROJECT IN PRINCIPLE  
THAT WOULD BE EVEN BETTER. END SUMMARY.

2. DEPARTMENT WILL RECALL THAT ON OCTOBER 26, 1977,  
EMBASSY TRANSMITTED TENTATIVE AGREEMENT BETWEEN U.S.  
NAVSTA KEFLAVIK AND SRHC ON PROVIDING GEOTHERMAL HEAT

TO U.S.-MANNED NATO BASE AND URGED THAT PROMPT AND FAVORABLE CONSIDERATION BE GIVEN TO THIS AGREEMENT (REF A). TO DATE, NEITHER EMBASSY NOR NAVSTA HAS RECEIVED ANY INDICATION STATUS THIS PROPOSED AGREEMENT WITHIN USG. IN VIEW OF FREQUENT VISITS TO ICELAND BY VARIOUS EXPERTS AND TEAMS OF SPECIALISTS FROM U.S. TO STUDY PROJECT AND FACT THAT TENTATIVE AGREEMENT HAS BEEN WORKED OUT TO SATISFACTION OF BASE AUTHORITIES AND ICELANDIC PARTICIPANTS, GOI AND OTHER INTERESTED ICELANDIC PARTIES UNDERSTANDABLY WILL BE EXPECTING RESPONSE IN VERY NEAR FUTURE IF ONLY FOR PLANNING PURPOSES OF THEIR OWN.

3. AS NOTED EARLIER (REF A), 1974 MOU CALLED FOR STUDY OF FEASIBILITY OF PROJECT. RECENT TENTATIVE AGREEMENT BETWEEN NAVSTA KEFLAVIK AND SRHC INDICATED THAT PROJECT WAS ECONOMICALLY AND TECHNICALLY FEASIBLE. REF C ENUMERATED NON-ECONOMIC REASONS FOR U.S. PARTICIPATING ALL OF WHICH STILL REMAIN VALID. AS NOTED IN REF A, FOREIGN MINISTER AGUSTSSON AND OTHER KEY PRO-NATO GOI OFFICIALS HAVE PLACED HIGH PRIORITY ON OBTAINING PARTICIPATION BY BASE IN THIS UNDERTAKING AND SUBJECT WAS RAISED BY FONMIN WITH DEPARTMENT IN SEPTEMBER.

4. VIEW FOREGOING, WE SUGGEST COUNTRY DIRECTOR FUNSETH  
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BE PROVIDED WITH PRECISE INFO RE STATUS OF PROJECT CONSIDERATION BY WASHINGTON AGENCIES AND THAT HE BE PREPARED INDICATE TO GOI WHEN DECISION ON US PARTICIPATION WILL BE FORTHCOMING. OBVIOUSLY, IF HE CAN STATE DECISION TO PARTICIPATE IN PROJECT HAS BEEN MADE IN PRINCIPLE (SUBJECT TO USUAL APPROPRIATION CAVEATS) THAT WOULD BE MUCH BETTER.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GEOTHERMAL ENERGY, NAVAL FORCES, MILITARY BASES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978REYKJA00039  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780013-0816  
**Format:** TEL  
**From:** REYKJAVIK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780185/aaaactso.tel  
**Line Count:** 102  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** c3bc6de5-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 REYKJAVIK 1548  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 27 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3806880  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GEOTHERMAL HEATING AT KEFLAVIK NAVAL STATION (NAVSTAKEF)  
**TAGS:** MILI, IC  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
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